



May 1, 2013

The Honorable Jeff Farrington
Chairman, House Tax Policy Committee
Michigan House of Representatives
124 North Capitol Avenue
Lansing, MI 48909

Chairman Farrington and Members of the Committee:

I am writing in support of HB 4202 and HB 4203, which would help level the playing field for all retailers. It does so by establishing nexus based on the use of an affiliated person or entity and/or the ownership of a corporation under the same controlled group of corporations, thus requiring online-only retailers to collect and remit sales tax just like brick-and-mortar retailers are required to do so.

As we expand in new areas of business, from Target.com to Target mobile apps, we look to compete fairly with all of our retail counterparts, but that can only happen with a change to antiquated sales tax laws. Current tax law has the government picking winners and losers, giving online-only retailers an unfair advantage. Target does not want to be a showroom for online-only retailers; we want to compete fairly in the marketplace.

This is not a new tax; it is a tax currently owed to the state by the consumer. Target collects sales taxes every day from our customers both online and in our stores. In 2012, we collected and remitted over \$83 million in sales taxes to Michigan.

Target is proud of our presence in Michigan and our support for the local economy and communities where we are located. Our commitment to the state includes 59 stores and one distribution center. We employ more than 17,500 team members with a payroll of more than \$160 million. In 2012, we donated nearly \$5 million to local communities and our team members contributed thousands of volunteer hours.

We respectfully request your support on this important issue to ensure a level playing field for all retailers. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Zabel".

Matt Zabel
Vice President
Target Government Affairs

Government Affairs
1000 Nicollet Mall, TPN-1101
Minneapolis, MN 55403